

AG Contract No KR99 0052TRN
ADOT ECS File: JPA 99-06
Project: G1050 79C
Section: Avenida Cochise ESP Improvements

INTERGOVERNMENTAL AGREEMENT
BETWEEN
THE STATE OF ARIZONA
AND
THE CITY OF SIERRA VISTA

THIS AGREEMENT is entered into 19 March, 1999,
pursuant to Arizona Revised Statutes, Sections 11-951 through 11-954, as amended, between the
STATE OF ARIZONA, acting by and through its DEPARTMENT OF TRANSPORTATION (the "State")
and the CITY OF SIERRA VISTA, acting by and through its MAYOR and CITY COUNCIL (the "City").

I. RECITALS

1. The State is empowered by Arizona Revised Statutes Section 28-401 to enter into this agreement and has by resolution, a copy of which is attached hereto and made a part hereof, resolved to enter into this agreement and has delegated to the undersigned the authority to execute this agreement on behalf of the State.

2. The City is empowered by Arizona Revised Statutes Section 41-1513 and 28-7281 et seq to enter into this agreement and has by resolution, a copy of which is attached hereto and made a part hereof, resolved to enter into this agreement and has authorized the undersigned to execute this agreement on behalf of the City.

3. The City has requested Economic Strength Project (ESP) funds in the amount of \$200,453.00; the Arizona Department of Commerce and the Economic Development Commission have recommended the approval of such funds for the City, and the Transportation Board has approved the funding, for the construction of improvements to Avenida Cochise, to provide improved access to the Sierra Vista Mall, and aid in the retention and development of local business, hereinafter referred to as the Project.

THEREFORE, in consideration of the mutual agreements expressed herein, it is agreed as follows:

=====

NO 23047
Filed with the Secretary of State
Date Filed: 03/19/99
Petrey Bayless
Secretary of State
By Nicky J. Gruenewald

II. SCOPE

1. The City will:

a. Insure the additional commitment of 87.31% of the total estimated Project cost, or \$1,378,972.00, whichever is more, from the City or other sources (not including ESP funds) to the Project. Accomplish construction of the Project by public bidding, in strict compliance with State procurement laws, rules and regulations. Upon completion, approve and accept the Project on behalf of the City and provide maintenance.

b. No more often than monthly, invoice the State for ESP funds (Arizona Department of Commerce, ATTN: Strategic Finance Division, ESP Program Director, 3800 N. Central Avenue, Suite 1500, Phoenix, AZ 85012), in an amount not to exceed \$200,453.00.

c. Provide the State a copy of the executed Project contract(s), and draw down and expend the State ESP funds no later than six (6) months after the effective date of this agreement. Provide the State detailed written reports of all ESP fund expenditures, supported by invoices, receipts or other suitable and appropriate documentation, and a final accounting report no later than thirty (30) days after ESP funds are fully expended.

d. Reimburse the State any funds received from the State under this agreement which are not specifically and directly expended in compliance with the ESP grant application, which is attached hereto and made a part hereof, and are subsequently disallowed by the State.

e. Provide the State (Arizona Department of Commerce, ATTN: Strategic Finance Division, ESP Program Director, 3800 N. Central Avenue, Suite 1500, Phoenix, AZ 85012) with quarterly Project status reports, and one year after completion of the Project, a written Economic Impact Report detailing the direct and indirect impact of the Project, to include jobs created, jobs retained and related data.

2. The State will:

Within thirty (30) days after receipt and approval of the ESP contract(s) and subsequent monthly progress payment invoices, reimburse the City for work completed on the Project funds in an amount not to exceed \$200,453.00.

III. MISCELLANEOUS PROVISIONS

1. The only interest of the Department of Transportation in the Project is to convey economic strength pass through funds for the use and benefit of the City by reason of state law under which funds for the Project are authorized to be expended.

2. The City agrees to indemnify and save harmless the State, or any of its departments, agencies, officers or employees, from and against all loss, expense, damage or claim of any nature whatsoever which is caused by any activity, condition or event arising out of the performance or non-performance by the State of any of the provisions of this agreement.

3. The total amount of ESP funds expended under this agreement shall not exceed 12.69% of the total Project cost. Should the Project not be completed, be partially completed, or be completed at a lower cost than the advanced amount, or for any other reason should any of these ESP funds not be expended, a proportionate amount of the funds provided under this agreement shall be reimbursed to the State.

4. This agreement shall remain in force and effect until completion of said Project, reimbursement and subsequent reports; provided, however, that this agreement, except any provisions herein for maintenance, which shall be perpetual, may be cancelled at any time prior to the award of a construction contract, upon thirty (30) days written notice to the other party. Further, this agreement may be terminated and the ESP grant cancelled by the State if the City, in the opinion of and by action of the Transportation Board, fails to pursue due diligence on the Project or in the performance of any of the terms of this agreement.

5. This agreement shall become effective upon filing with the Secretary of State.

6. This agreement may be cancelled in accordance with Arizona Revised Statutes Section 38-511 as regards conflicts of interest on behalf of State employees.

7. The provisions of Arizona Revised Statutes Section 35-214 pertaining to 5 year records retention by the City and audit by the State are applicable to this contract.

8. In the event of any controversy which may arise out of this agreement, the parties hereto agree to abide by required arbitration as is set forth in Arizona Revised Statutes Section 12-1518.

9. All notices or demands upon any party to this agreement, except as otherwise specified herein, shall be in writing and shall be delivered in person or sent by mail addressed as follows:

Arizona Department of Transportation
Joint Project Administration
205 South 17 Avenue, Mail Drop 616E
Phoenix, AZ 85007

City of Sierra Vista
Director of Engineering Services
1011 N. Coronado Drive
Sierra Vista, AZ 85635

10. Attached hereto and incorporated herein is the written determination of each party's legal counsel that the parties are authorized under the laws of this state to enter into this agreement and that the agreement is in proper form.

IN WITNESS WHEREOF, the parties have executed this agreement the day and year first above written.

CITY OF SIERRA VISTA

STATE OF ARIZONA
Department of Transportation

By Richard F. Archer
RICHARD F. ARCHER
Mayor

By Dale Buskirk
DALE BUSKIRK, Director
Transportation Planning

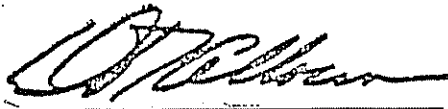
ATTEST:

By Sandra L. Kenny
SANDRA L. KENNY
City Clerk

RESOLUTION

BE IT RESOLVED on this 12th day of January 1999, that I, the undersigned MARY E. PETERS, as Director of the Arizona Department of Transportation, have determined that it is in the best interests of the State of Arizona that the Department of Transportation, acting by and through the Intermodal Transportation Division, to enter into an agreement with the City of Sierra Vista for the purpose of defining responsibilities for conveying ESP funds in the amount of \$200,453.00.

Therefore, authorization is hereby granted to draft said agreement which, upon completion, shall be submitted to the Director of Transportation Planning for approval and execution.

A handwritten signature in black ink, appearing to read 'D. Allocco', written over a horizontal line.

DAVID R. ALLOCCO, P.E.
Assistant State Engineer
Engineering Technical Group
for Mary E. Peters, Director

RESOLUTION 4149

A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF SIERRA VISTA, COCHISE COUNTY, ARIZONA; REAFFIRMING SETTLED POLICY, TO ENTER INTO AN INTERGOVERNMENTAL AGREEMENT WITH ANOTHER PUBLIC AGENCY; AUTHORIZING THE CITY TO ENTER INTO AN INTERGOVERNMENTAL AGREEMENT WITH THE ARIZONA DEPARTMENT OF TRANSPORTATION (ADOT) TO ACCEPT \$200,453 ECONOMIC STRENGTH PROJECT (ESP) FUNDS TOWARD THE CONSTRUCTION OF IMPROVEMENTS TO AVENIDA COCHISE, TO PROVIDE IMPROVED ACCESS TO THE SIERRA VISTA MALL, AND AID IN THE RETENTION AND DEVELOPMENT OF LOCAL BUSINESS; AND AUTHORIZING AND DIRECTING THE CITY MANAGER, CITY CLERK, CITY ATTORNEY OR THEIR DULY AUTHORIZED OFFICERS AND AGENTS TO TAKE ALL STEPS NECESSARY TO CARRY OUT THE PURPOSES AND INTENT OF THIS RESOLUTION.

WHEREAS, it is mutually beneficial for the City and Arizona Department of Transportation (ADOT) to partner and enter into Intergovernmental Agreements; and

WHEREAS, the Arizona Department of Commerce and the Economic Development Commission have recommended approval of such funds for the City; and

WHEREAS, the Arizona Transportation Board has approved funding in the amount of \$200,453; and

WHEREAS, ADOT will provide \$200,453 towards the construction of improvements to Avenida Cochise, to provide improved access to the Sierra Vista Mall, and aid in the retention and development of local business; and

WHEREAS, ADOT has drafted an Intergovernmental Agreement, attached hereto and made a part hereof, reflecting ADOT's and City's commitment towards construction of improvements to Avenida Cochise, to provide improved access to the Sierra Vista Mall, and aid in the retention and development of local business; and

WHEREAS, the City Attorney has reviewed the attached Intergovernmental Agreement and determined it to be legal and proper for the City to execute said Agreement with ADOT; and

WHEREAS, the City and State, in accordance with A.R.S. 28-401, empowering ADOT to enter into intergovernmental agreements for the improvement or maintenance of state routes or for the joint improvement of state routes. A.R.S. 41-1513 and A.R.S. 28-7281, are empowered to contract, or agree to jointly contract for economic strength projects that will mutually benefit both City and State; and

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF SIERRA VISTA, ARIZONA, AS FOLLOWS:

SECTION 1

That the settled policy of the City Council, most recently affirmed by Resolution 4128, to enter into an Intergovernmental Agreement with another public agency, be, and hereby is, reaffirmed.

SECTION 2

That the City be, and hereby is, authorized to enter into an Intergovernmental Agreement with the Arizona Department of Transportation, as outlined in the Intergovernmental Agreement attached hereto and made a part hereof.


SECTION 3

The City Manager, City Clerk, City Attorney, or their duly authorized officers and agents are hereby authorized and directed to take all steps necessary to carry out the purposes and intent of this Resolution.

PASSED AND ADOPTED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF SIERRA VISTA, ARIZONA, THIS 25th DAY OF February 1999.


RICHARD F. ARCHER
Mayor

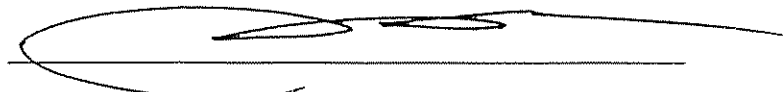
ATTEST:


SANDRA L. KENNY
City Clerk

APPROVAL OF THE SIERRA VISTA CITY ATTORNEY

I have reviewed the above referenced proposed intergovernmental agreement, between the DEPARTMENT OF TRANSPORTATION, HIGHWAYS DIVISION, and the CITY OF SIERRA VISTA and declare this agreement to be in proper form and within the powers and authority granted to the City under the laws of the State of Arizona.

DATED this _____ day of _____, 1999.



City Attorney

ECONOMIC STRENGTH PROJECTS
REQUEST FOR PROPOSAL
FY 1999 - ROUND 1
July 31, 1998

APPLICATION FORM

NOTE: Additional information may be provided in attachments. Be sure to clearly reference and mark such additions and attachments.

1. NAME AND ADDRESS OF APPLICANT: ,

City of Sierra Vista
1011 N. Coronado Drive
Sierra Vista, AZ 85635

Cochise County

2. TYPE OF ORGANIZATION OF APPLICANT: (Check one)

a) (X) Local Government only

b) Private Non Profit / Local Government Joint Application:

Name of Non Profit Agency Involved

Name of Local Government Involved

City of Sierra Vista

3. Describe the function or purpose of applicant organization.

As a local government, we provide basic services such as public safety, streets, sewer and sanitation and parks and recreation.

4. Name, address, and phone number of contact person:

Mr. Charles P. Potucek
City Manager
City of Sierra Vista
1011 N. Coronado Drive
Sierra Vista, AZ 85635
(520) 458-3315

5. Describe the private sector project or activity for which the related ESP funding is requested.

The developers of the Mall at Sierra Vista are in the process of constructing a 383,000 square foot indoor shopping mall. The mall is anchored by Sears and Dillard's and includes a 10 screen Cinemark movie complex, a 6,500 square foot food court, 36,000 square feet of mall concourse and 11,000 square feet of offices, restrooms and maintenance services and corridors.

6. Describe the Economic Strength Project for which funding is requested. Describe how the ESP project supports/relates to the private sector project described in #5 above.

There are a number of public off-site improvements related to the Mall at Sierra Vista that the City is requesting ESP funding. The improvement project includes *:

- Improvements to Avenida Cochise - Turn and deaccel lanes (right turn lane is 600 feet long, deaccel is 400 feet long)
- Sidewalk, curb, gutter and lighting along Avenida Cochise (1,200 feet long)
- Traffic signals at the intersection of Avenida Cochise and State Route 92
- Mall Loop Road - two 12 foot wide thru lanes and two 8 foot wide parking lanes (5,100 feet long)
- Loop Road - curb, gutter, lighting and landscaping (5,100 feet long)
- North Entrance Road which contains four 12 foot wide lanes and a raised landscaped median (240 feet long)
- Westbound median cut and left turn lane along Avenida Cochise (approximately 200 feet)
- Two Entrance Roads which contain four 12 foot wide lanes and a raised landscaped median (250 feet long)
- State Route 92 accel-deaccel lanes 12 feet wide (approximately 1500 feet long each)
- Multi-use path and landscaping in ADOT rights-of-way
- Left turn lanes from Highway 92 to each Mall Entry (approximately 300 feet long each)
- Signing and striping along Avenida Cochise and State Route 92 (approximately 7,000 linear feet of striping and 6 signs)

*See Exhibit A & B

The ESP project supports the private sector project, the Mall at Sierra Vista, by creating safe, efficient and esthetically pleasing roadways, entrances and exits to a new regional retail center.

7. Describe how the private sector project fits into the community's overall economic development efforts.

The goal of economic development in Sierra Vista is to not only to attract, expand and retain business but to also to improve the overall quality of life for our community. The Mall at Sierra Vista improves the lives of Sierra Vista's residents by increasing the convenience of shopping at a large, indoor mall. The opening of the Mall at Sierra Vista also improves the appearance of our community to other industries looking to locate here by offering a broader option of goods and services to their employees.

Furthermore, the opening of a large, indoor, regional shopping mall will slow the leakage of retail dollars to Tucson and further encourage Mexican commerce in the community. The additional full-time employees will also assist us in becoming a regional retail center, ultimately decreasing our reliance on Fort Huachuca.

8. Describe how the supporting ESP project fits into the community's overall economic development efforts.

The public off-site improvements related to the Mall at Sierra Vista fit into the community's overall economic development efforts by improving the access and safety to the region's retail shopping and entertainment center.

9. How will ongoing maintenance and repair be provided for the ESP project after construction/improvement?

The City of Sierra Vista's Public Works Department uses an automated street inventory and maintenance system to prioritize preventive maintenance for our streets.

10. Description of ESP project. (Check one)

- a) ☐ This is an existing roadway.
b) ☒ This is a new roadway.
c) ☐ This is a bridge.
d) ☐ This is an underpass.
e) ☐ Other:

11. Where is the private sector project located that is supported by this ESP project?

The Mall at Sierra Vista is located in the corporate city limits of Sierra Vista on approximately 53 acres of vacant land. Specifically, the land is a portion of the southeast quarter of Section 12 township 22 south, range 20 east. The southern border of the development fronts State Highway 92. See Exhibit C

12. Where is the ESP project located?

- a. In the community:

The ESP project is located in the corporate city limits of Sierra Vista bordering South Highway 92 and the extension of Avenida Cochise.

- b. In relation to the related private sector project:

The ESP project is located around the perimeter of Mall at Sierra Vista. See Exhibit A

- c. In what legislative district:

District 9

13. What is the length (in feet/miles) of the ESP project? Approximately 8,000 feet
14. What is the width (in feet) of the ESP project? Approximately 50 feet

In the jobs section below (Q15 - Q17), applicants must provide employment and wage-related information for the private sector employers (existing or new) which the ESP fund is supporting. If these projects do not generate certain categories of jobs (job creation, job retention or seasonal jobs), those sections should be left blank.

15. JOB CREATION

a. Construction Phase

Does your project create any public or private construction jobs?

Yes (X)

No

If yes, complete the following; otherwise go to Q15.b.

(1) Number of construction jobs directly created by private sector	300
Number of days or months the construction jobs would last	365
Average hourly wages	\$25 00
(2) Number of construction jobs directly created by public sector	300
Average number of days or months the construction jobs would last	365
Average hourly wages	\$25 00

Note: List and provide the above information for each employer included in or supported by your ESP application.

b. Operation Phase

(1) Number of full-time permanent direct jobs created	500
Average hourly wages	\$10.00
(2) Number of part-time permanent direct jobs created	100
Average number of hours per week	30
Average hourly wages	\$10.00

Note: List and provide the above information for each employer included in or supported by your ESP application.

16. JOB RETENTION

a. Number of permanent full-time direct jobs retained	500
Average hourly wages	\$10.00
b. Number of permanent part-time direct jobs retained	100
Average number of hours per week	30
Average hourly wages	\$10.00

c How would the lack of the ESP project cause, or contribute to, the loss of these directly effected jobs? They would not be created.

Note: List and provide the above information for each employer included in or supported by your ESP application.

17. SEASONAL JOBS

If seasonal jobs are a significant part of the operation of private businesses for which you have applied for ESP, complete the following. Otherwise, go to question 18

a. Number of seasonal jobs created	200
Average number of days per year	60
Average hourly wages	\$10.00
b. Number of seasonal jobs retained	100
Average number of days per year	260
Average hourly wages	\$10.00

c. Further Clarifications

(1). Are the seasonal jobs created or retained for one year, or would they be occurring on an on-going basis year after year? Construction - one year/Mall business - year after year

Note: List and provide the above information for each employer included in or supported by your ESP application.

18. Capital Investment.

a) What kind of new, additional capital investment will be made by the private sector business or industry assisted by this ESP project? (Building, equipment, etc. at this site) Construction - Developer and Anchor Stores - \$50,000,000.

b) What is the purpose and dollar value of the new, additional capital investment that will be made by the private sector business or industry assisted by this ESP project?

\$10,000,000 for Anchor Store Construction and Merchandise
\$10,000,000 for Anchor Store Construction and Merchandise
\$30,000,000 for Mall Building, site and tenant shops.
\$50,000,000 Total

19. Cost/Benefit Calculation

What is the likelihood that benefit resulting from the project will exceed the costs of the project?

According to the 1997 International Council on Shopping Centers (ICSC) Research White Paper, a mall of this size should generate approximately \$100,000,000 in sales annually. If the mall reaches our conservative estimate of \$50,000,000 in sales, the likelihood is excellent that the project benefits will exceed the costs.

Show detail of cost/benefit analysis used to determine the net benefits of this project.

Job Creation:	Construction, 1 year, \$15,600,000
	Operation, Full-time, \$10,400,000
	Part-time, \$ 1,560,000
	Seasonal, <u>\$ 260,000</u>

Total Job Creation	\$27,820,000
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Tax Revenue \$50,000,000 Annual Sales:

State	\$2,500,000
County	\$ 250,000
City	<u>\$ 750,000</u>

Total	\$3,500,000
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Total Measurable Benefits	\$31,320,000/Project Cost \$1,579,425
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Benefit to Cost Ratio = 19.83 to 1

Increased Mexican Commerce is a non-measurable benefit.

20. What community(ies) will benefit from this project? How will each listed community benefit?

While the City of Sierra Vista will be the primary benefactor, other communities around southeastern Arizona (e.g. Bisbee, Benson, Douglas and Tombstone) and northern Sonora, Mexico (e.g. Naco, Cananea and Agua Prieta) will also benefit

Specifically, Sierra Vista will benefit by the jobs created, the additional sales tax revenues generated by taxable sales and by the ability of our residents to shop locally. The surrounding communities of southeastern Arizona and northern Sonora, Mexico will benefit from the creation of jobs and the ability of their residents to shop at a regional retail center without driving to Tucson.

21. List the names of local economic development organizations, and a contact person for each, which are involved with this private sector project. Include documentation (letters, etc.) showing the involvement and level of support of each organization.

Mr. Barry Albrecht, Executive Director
Sierra Vista Economic Development Foundation
P. O. Box 2380
Sierra Vista, AZ 85636
(520) 458-6948 (Exhibit D)

- | | | |
|-----|--|--------------|
| 22. | What is the total cost of the entire project? | \$54,059,425 |
| 23. | What is the total cost of the ESP portion of the project? | \$1,579,425 |
| 24. | Complete and attach the Budget Detail Schedule (Attachment A). | |

25. Complete and attach the Sources and Uses Schedule (Attachment B).
26. Of the total ESP project cost listed in #23 above, how much financial assistance are you requesting from the Economic Strength Projects Fund? \$200,453
27. List the sources and amounts of matching funds (both private and public) that will be a part of the total direct ESP project cost.

a) Public Funds:

- (1) Name of public entity contributing the match.

City of Sierra Vista	\$1,378,972
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Total	\$1,378,972
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- (2) Cash match contributed to the project.

- Source (general fund, grants, HURF, etc.)

City of Sierra Vista Capital Improvements Fund	\$1,378,972
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Total	\$1,378,972
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- (3) In-kind match contributed to the project.

- Type of match (force account labor, construction management, materials, etc.)	Amount
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b) Private Sector funds:

Name of private sector company(ies) contributing matching funds to the ESP project, (if any)	Amount
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28. Local utility or other infrastructure expenditures:

- a) What indirect local public utility or other infrastructure expenditures will need to be made in connection with (1) the private sector project, and (2) the ESP project? For example, expansion of water or waste water treatment facilities due to demands of the new business which the ESP project is assisting; extension of utility lines, major drainage improvements, etc.).

IMPROVEMENT	COST
4 lane divided arterial	\$2,300,000
Sanitary sewer line extension	\$ 100,000
Storm Drainage	<u>\$ 80,000</u>
Total	\$2,480,000

29 How will the infrastructure expenditures listed in #28 above be funded?

Municipal Property Corporation Bonds

30. How soon after receiving approval of your ESP proposal could you begin construction on:

(a) The private sector project?(e g., days, months)

The Mall at Sierra Vista will begin immediately regardless of ESP approval

(b) The ESP project?(e g., days, months)

The ESP project will begin immediately regardless of ESP approval.

31(a). How long will the private sector project take to complete from start to finish? (e g., days, months)

18 months

31(b) How long will the ESP project take to complete from start to finish? (e g., days, months)

12 months

32. List below the major milestone activities to be completed in the project and the time schedules for each. Note: Include the construction dates and purchase dates of the capital investments of the private sector.

ACTIVITY	START DATE	END DATE
Public		
Project design	September 1998	February 1999
Construction	March 1999	August 1999
Inspection/Acceptance	September 1999	October 1999

33. Is there any opposition to either the private sector project or the ESP project? If so, from whom and what is the nature of the opposition?

The City has not received any local correspondence directly opposing either the private sector project or the ESP project.

34 Is project located in
(X) disadvantaged area of state?
rural area of state?
Enterprise Zone of state?

35. Has this applying entity ever received any previous ESP grant funds.

NO _____ YES (X) DATE RECEIVED: FY 1994 - ROUND 1

AMOUNT RECEIVED: \$188,124.00

**IMPORTANT!! UP DATE PERMANENT JOBS, DIRECTLY CREATED AND/OR RETAINED,
FOR EACH GRANT LISTED.**

Max Club Division of SuperValu, Inc. did construct and open a 70,000 square foot warehouse retail facility; however, the store closed in June, 1995 when SuperValu, Inc. declared bankruptcy. In May 1996 Sutherlands Lumber purchased the facility and renovated the building. Sutherlands maintains a payroll of approximately 55 individuals at an average hourly salary of \$7.50.

36. Certification:

I certify that this project is compatible with other transportation facilities and conforms to all applicable construction and engineering standards.

NAME: Michael J. Hemesath, P.E.

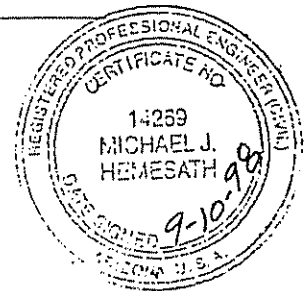
DATE: September 10, 1998

TITLE: Director of Engineering Services

SIGNATURE: 

NAME OF CONTACT PERSON: Charles P. Potucek, City Manager

TELEPHONE NUMBER: (520) 458-3315



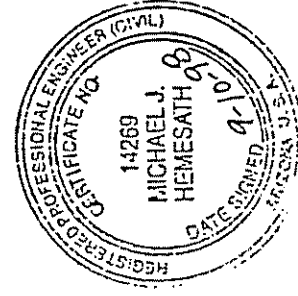
ATTACHMENT A

ECONOMIC STRENGTH PROJECTS - BUDGET DETAIL SCHEDULE

Note: No contingency costs are to be included in the total project costs.

ACTIVITY	LABOR OR UNIT PRICE	MATERIALS OR NUMBER OF UNITS	TOTAL CONSTRUCTION COSTS	ARCHITECTURAL/ ENGINEERING COSTS	TOTAL ACTIVITY COSTS	PROJECTED ANNUAL OPERATIONS & MAINTENANCE COSTS
Improvements to Avenida Cochise (Turn & De-accel Lanes)	23,058	1	23,058	3,450	26,508	75
(Sidewalk, Curb, Gutter & Lighting)	63,500	1	63,500	9,500	73,000	200
Traffic Signals State Rte. 92	120,000	2	240,000	20,000	260,000	7,500
Mall Loop Road	587,814	1	587,814	40,000	627,814	2,000
Loop Road (Curb, Gutter, Lighting & Landscaping)	176,150	1	176,150	15,000	191,150	575
North Entrance Road	45,152	1	45,152	6,750	51,902	150
Westbound Median & Turn Lane	10,000	1	10,000	1,500	11,500	50
Two East Entrance Roads	58,947	1	58,947	8,500	67,447	175
State Rte. 92 Accel-De-accel Lanes	52,854	1	52,854	8,000	60,854	150
Multi-use Path & Landscaping in ADOT Rights-of-way	174,000	1	174,000	10,000	184,000	5,000
Left turn from State Rte. 92	13,500	1	13,500	1,750	15,250	50
Signing & Striping	9,500	1	9,500	500	10,000	50
			1,454,475	124,950	1,579,425	16,275

Michael J. Hemesath
Signature of Registered Professional



**ATTACHMENT B
SOURCES AND USES STATEMENT**

I. USES:

A. Private Sector Related

1.	Acquisition of Existing Building with land	
2.	Site Acquisition (vacant land)	\$ 5,000,000
3.	New building construction	\$39,000,000
4.	Remodeling	
5.	Machinery and Equipment	\$ 4,500,000
6.	Site preparation	<u>\$ 1,500,000</u>
7.	Other: total for land, building, on and off site improvements, fixtures and equipment and inventory	
	Sub Total	\$50,000,000

B. Public Sector Related

1.	Total ESP project improvements (Grand Total of Total Activity Costs in Attachment A and Item 23 in the Application)	\$1,579,425
2.	Local public sector improvements (Infrastructure improvements directly related to the project and located on or contiguous to the project site. Do not include ESP related costs here)	\$2,480,000
3.	Other	

C.	Total Uses	\$54,059,425
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II. SOURCES:

A.	Private sector project investment ((Item 18 b) Total))	\$50,000,000
B.	Local public sector (direct project related)	\$ 2,480,000
C.	Economic Strength Projects Fund (State funds) (Item 26)	\$ 200,453
D.	ESP match	
	(2) From the public sector ((Items 27 a)(1)(2) &(3))	<u>\$ 1,378,972</u>
	(1) From the private sector ((Item 27 b))	
E.	Other _____	
F.	Total Sources	\$54,059,425

* Total Uses (I.C.) must equal Total Sources (II.F.)

SIERRA VISTA TOWNE CENTRE Public Domain Improvements

EXHIBIT B

The Corporation shall at its sole cost and expense provide the following Public Domain Improvements required for the development of the Retail Shopping Mall provided they comply with City and State of Arizona policies, standards, and statutes. These improvements shall include but not be limited to:

AVENIDA COCHISE AND HIGHWAY 92

1. Construct complete Avenida Cochise from Highway 92 to the western connection to Summit Ave.
2. Construct sidewalk along the south side of Avenida Cochise from Highway 92 to the Western property line of the Mall.
3. Construct curb and gutter along south side of Avenida Cochise and Mall North property line from Highway 92 to Mall West property line.
4. Construct one (1) magazine entrance approach apron from Avenida Cochise to Mall outer ring road. Access location to be approved by City.
5. Construct West bound median cut and left turn lane from Avenida Cochise to North Mall entry.
6. Construct roadway lighting along Avenida Cochise complete, per City policy, including conduit, wiring, trenching, bases, poles and fixtures following current design standards approved by Sulphur Springs Valley Electric Cooperative, Inc. (SSVEC).
7. Construct traffic signal at intersection of Avenida Cochise and Highway 92 upon approval by the Arizona Department of Transportation (ADOT).
8. Construct two (2) magazine entrance approach aprons from Highway 92 to Mall outer ring road upon approval by ADOT.
9. Construct two (2) deceleration lanes from Highway 92 to Mall magazine entrance aprons upon approval by ADOT.
10. Construct two (2) long radius right hand turn lane from Mall magazine entrances onto Highway 92 upon approval by ADOT.
11. Construct curb and gutter along Highway 92 if required by ADOT.
12. Construct roadway lighting along west side of Highway 92, per City policy, complete including conduit, wiring, trenching, bases, poles and fixtures, per current SSVEC design standards, if required by ADOT.
13. Construct traffic signal complete as approved by ADOT at Southern Mall Entry.
14. Construct left turn lane from Highway 92 to the south (Calle Mercancia) entrance. If ADOT allows a second access onto Highway 92, City will construct a raised median to prohibit left turns into or out of this entrance as approved by ADOT.

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EXHIBIT B

15. Construct a complete storm drainage system if necessary, conforming to City policy and standards, for all storm drain water for Highway 92 adjacent to the Mall. Construct storm water washes as required along west side of Highway 92.
16. Construct a complete landscaping and irrigation system for the area between the road to the right of way line for the property adjacent to the Mall along Highway 92 and Avenida Cochise conforming to City policy and standards.
17. Construct a channel or concrete box culvert if required to channel storm water from relocated wash to existing culvert under Highway 92.
18. Construct all new signing and striping along Highway 92 as approved by ADOT, and Avenida Cochise as related to improvements adjacent to the Mall.
19. Provide all survey and quality control for this work.
20. City or ADOT will engineer, provide and pay for all agreed upon improvements listed under the Avenida Cochise and Highway 92 section of this Exhibit B.

MALL DRIVE AND UTILITIES

1. Construct complete, roadways and entrances from Highway 92 and Avenida Cochise to Mall outer drive. Construct complete Mall outer drive road as a mall loop road in accordance with City policy, standards, statutes and requirements. All island curbing or landscaping within the City's right-of-way will be the City's responsibility.
 - Work includes but is not limited to:
 - a. Clear and grub limit of work area.
 - b. Mass excavation.
 - c. Cut and fill as required for final subgrade elevation.
 - d. Structural road base fill.
 - e. Concrete curb and gutter.
 - f. ABC sub-base material.
 - g. Compaction.
 - h. Survey.
 - i. Asphalt paving of roadway.
 - j. Asphalt paving of parking lot areas in public right-of-way and required for landscape planter islands per City policy, standards and requirements.
 - k. Traffic striping and signage.

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EXHIBIT B

2. Construct concrete curb and gutter adjacent to entrances and Mall outer drive road per City policy, standards and requirements.
3. Construct curb and gutter to complete landscape planter islands on interior side of Mall outer drive road per City policy, standards and requirements.
4. Construct a complete landscape and irrigation system for planter islands and areas adjacent to Mall outer drive road and entrance magazine roadways per City policy, standards and requirements.
5. Construct all sleeves and raceways as required for the irrigation of the landscape islands and related areas per City policy, standards and requirements. Provide for an irrigation system which will separately meter the irrigation systems associated for this scope of work.
6. Construct a complete landscaping and irrigation system for planter areas adjacent to Mall entrances from the right of way to the limits of the scope of work at the Mall outer drive roadway per City policy, standards and requirements.
7. Construct a complete roadway lighting system which will provide a minimum foot candle illumination of 4 fc at magazine roadway entrances and 2 fc at balance of Mall outer drive road following current design standards approved by SSVEC. Roadway lighting poles and fixtures will match as closely as possible the Mall lighting system. (City to pay all electrical cost for the operation of this lighting consistent with industry standard for lighting of shopping centers and City policy).
8. Construct a complete sanitary sewer system including all excavation, backfill, materials, manholes and laterals per City policy, standards and requirements. Sanitary sewer system shall be installed within the Mall outer drive roadway limits of work and shall be constructed to City Standards and tested for acceptance. The design of this system will take into consideration all invert elevation requirements for the Mall and outer parcels based on gravity flow. The design and construction of this system will be consistent with providing for a minimum lateral extension to mall and outer parcel attachment points.
9. Construct a complete storm drain system including all excavation, backfill, materials, manholes and laterals per City policy, standards and requirements. Storm drain system shall be installed within the Mall outer drive roadway limits of work and shall be constructed to City Standards and tested for acceptance. The design of this system will take into consideration all invert elevation requirements for the Mall and outer parcels based on gravity flow. The design and construction of this system will be consistent with providing for a minimum lateral extension to mall, parking lot and outer parcel attachment points.

SIERRA VISTA TOWNE CENTRE
Public Domain Improvements

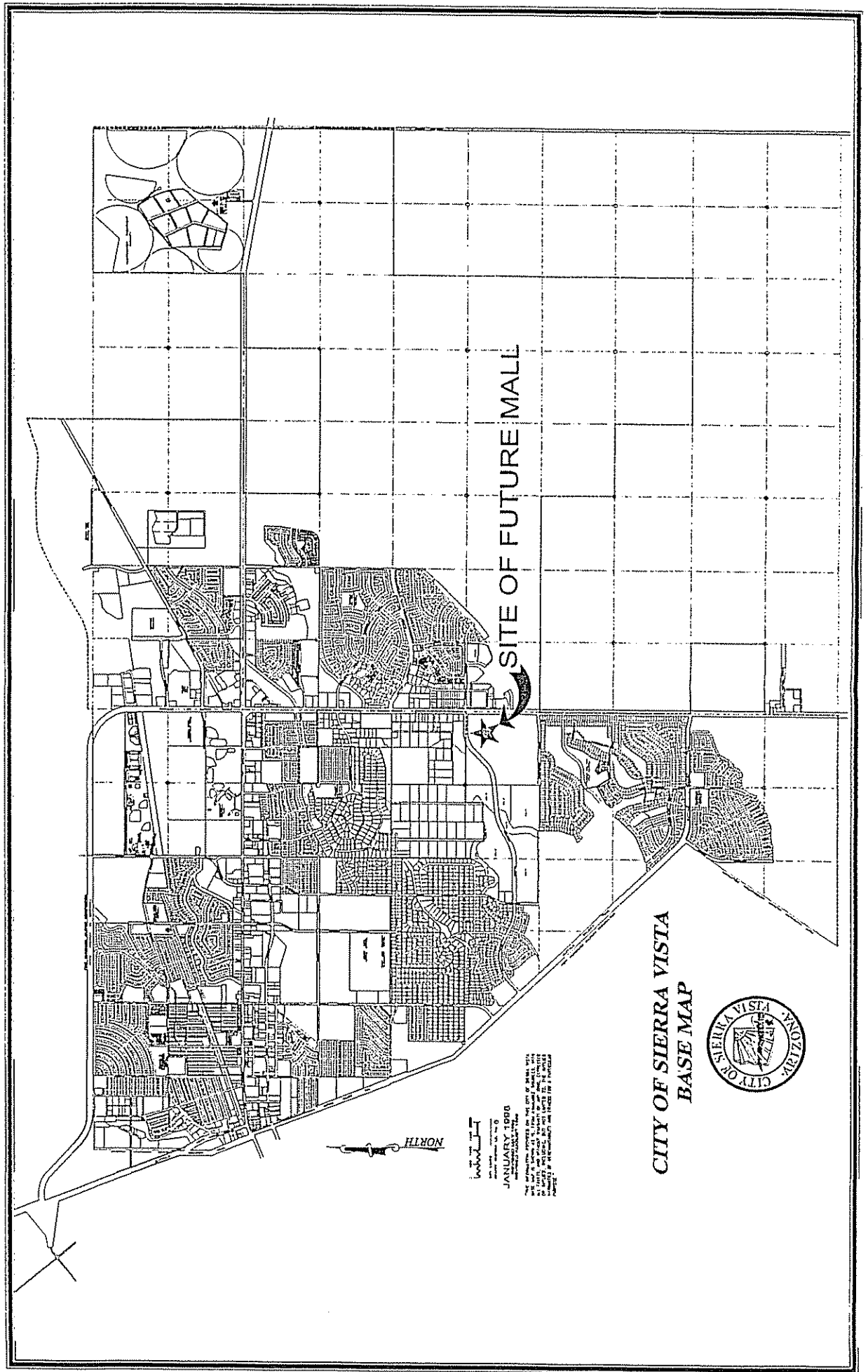
EXHIBIT B

9. Provide all survey and quality control supervision for the required scope of work.
10. Compensate the developer for the actual cost of the engineering and architecture design for the scope of work for an amount not to exceed \$64,260.00.

ADDITIONAL COSTS AND INCLUSIONS

1. Arizona sales tax for Exhibit B scope of work.
2. Cost of all public hearings.
3. Cost of irrigation water for landscape areas defined by this exhibit shall be borne by City.
4. Once plans are approved by City and Developer any changes must be approved in writing by both parties.

EXHIBIT C





STATE OF ARIZONA

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JANET NAPOLITANO
ATTORNEY GENERAL

INTERGOVERNMENTAL AGREEMENT
DETERMINATION

A.G. Contract No. KR99-0052TRN, an agreement between public agencies, has been reviewed pursuant to A.R.S. § 11-952, as amended, by the undersigned Assistant Attorney General who has determined that it is in the proper form and is within the powers and authority granted to the State of Arizona.

No opinion is expressed as to the authority of the remaining parties, other than the State or its agencies, to enter into said agreement.

DATE March 11, 1999.

JANET NAPOLITANO
Attorney General

JAMES R. REDPATH
Assistant Attorney General
Transportation Section

JRR:et/19718

Enc.